

Decision No. 50835**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of LeRoy J. LaFrentz to)
 purchase, and of Bernard Jacobs,)
 dba Descanso Park Water Co., to sell,)
 all the assets of said company; and) Application No. 35838
 of LeRoy J. LaFrentz to operate a)
 public utility company in San Diego)
 County.)

OPINION AND ORDER

This is an application for an order authorizing Bernard Jacobs to sell and transfer, and LeRoy J. LaFrentz and Emma Lee LaFrentz to purchase and operate, the public utility water system known as Descanso Park Water Company.

The property to be transferred consists of a well and two pumps, a booster pump, pump house, two water storage tanks, three parcels of land, certain easements, distribution mains and other equipment used in furnishing water service to approximately 60 customers in and about Descanso Park Townsite, San Diego County.

Under the terms of the proposed agreement of sale, included in the application as Exhibit D, the total sale price to be paid is \$12,000, of which \$200 is to be paid in cash, \$3,500 is to be allowed for a used truck and trailer, and a note executed for the balance in the amount of \$8,300 which amount is payable at the rate of \$150 per month including interest at 6%. The note is to be secured by a deed of trust on the real property and a chattel mortgage on the remainder of the utility properties.

The original cost of the Descanso Park Water Company properties is stated to have been \$28,401 at the time of

certification and, since that time, capital additions and betterments, less depreciation, are stated to have increased the original cost to \$41,858.82.

A certificate of public convenience and necessity was granted to Bernard Jacobs to operate a public utility water system under the name of Descanso Park Water Company by the Commission's Decision No. 42678, dated April 5, 1949, in Application No. 29708.

An investigation by our staff indicates that LeRoy J. LaFrentz intends to devote his time to the operation and management of the system, and that he is qualified by experience to do so. The investigation also discloses that LeRoy J. LaFrentz and Emma Lee LaFrentz should be in a position financially to take over the properties and successfully continue the operation thereof.

The action taken herein shall not be construed as a finding of value of the property herein authorized to be transferred.

The Commission having considered the above-entitled application and being of the opinion that the proposed transfer will not be adverse to the public interest, that a public hearing is not necessary, that the money, property or labor to be procured or paid for by the issue of the note hereinafter authorized is reasonably required by applicants LeRoy J. LaFrentz and Emma Lee LaFrentz for the sole purpose specified herein, and that purpose is not, in whole or in part, reasonably chargeable to operating expense or to income; therefore,

IT IS HEREBY ORDERED as follows:

1. That Bernard Jacobs, on and after the effective date hereof and on or before June 30, 1955, may transfer all of his water utility properties referred to herein, known as Descanso Park Water Company, to LeRoy J. LaFrentz and Emma Lee LaFrentz, pursuant to the terms of the proposed agreement of sale, Exhibit D of the application.

2. That LeRoy J. LaFrentz and Emma Lee LaFrentz on and after the effective date hereof and on or before June 30, 1955, may issue a promissory note in the principal amount of \$8,300 in part payment for the properties herein authorized to be transferred, and may execute a deed of trust and a chattel mortgage, which note, deed of trust and chattel mortgage shall be in, or substantially in, the same form as those filed in this proceeding.
3. That the rates and rules of Bernard Jacobs now on file with the Commission shall be refiled within thirty days from the date of actual transfer under the names of LeRoy J. LaFrentz and Emma Lee LaFrentz, in accordance with procedure prescribed by General Order No. 96, or in lieu of such refiling, LeRoy J. LaFrentz and Emma Lee LaFrentz may file a notice of adoption of said presently filed rates and rules. No increase in the presently filed rates and rules shall be made unless otherwise properly authorized by this Commission.
4. That on or before the date of actual transfer, Bernard Jacobs shall refund all deposits which customers are entitled to have refunded. Any unrefunded deposits shall be transferred to and become the obligation for refund of LeRoy J. LaFrentz and Emma Lee LaFrentz.
5. If the authority herein granted is exercised, Bernard Jacobs shall, within thirty days thereafter, notify this Commission, in writing, of the date of such completion of the property transfer herein authorized.
6. That on or before the date of actual transfer of the physical properties herein authorized, Bernard Jacobs shall transfer and deliver to LeRoy J. LaFrentz and Emma Lee LaFrentz, and the latter shall receive and preserve all records, memoranda and papers pertaining to the construction and operations of the properties of the Descanso Park Water Company.
7. That upon due compliance with all the conditions of this order, said Bernard Jacobs shall stand relieved of all further public utility obligations and liabilities in connection with the operation of the public utility water system hereinabove authorized to be transferred.

- 8. LeRoy J. La Frenz and Emma Lee LaFrenz shall file with the Commission monthly reports as required by General Order No. 24-A, which order, in so far as applicable, is made a part of this order.
- 9. The authority herein granted will become effective when LeRoy J. LaFrenz and Emma Lee LaFrenz have paid the minimum fee prescribed by Section 1904 (b) of the Public Utilities Code, which fee is \$25.

Dated at San Francisco, California, this 7th day of December, 1954.

Peter E. Mitchell
President

Justus F. Calmes

Lawrence F. Potter

Deane Deogun

Angela Lutz
Commissioners

